<u>Addressing Health Professional Shortages in Los Angeles County</u>

The cost of obtaining a graduate degree in many health care professions is high and many individuals graduate with substantial amounts of student loan debt. These loan obligations prevent many professionals from taking lower paying positions in areas with health care staffing shortages.

A variety of state and federal loan repayment/forgiveness programs exist to try to address this problem. Typically, under these programs, health professionals, such as physicians, physician assistants, nurse practitioners and psychologists, agree to work at a certified or approved site in a health professional shortage area for a minimum period of time. In addition to their salaries, which are paid by the site, these providers receive funds to pay down qualified student loans. One such program is the Steven M. Thompson Physician Corps Loan Repayment Program, a statutorily created program

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that provides up to \$105,000 of loan repayment assistance to physicians who commit to work full time in a health professional shortage area for three years.

Among other things, certified sites are required to agree to pay the individual a prevailing wage, and not to use the individual's loan repayment benefit as a basis for reducing his or her compensation. The ability to facilitate participation in a loan repayment program provides the sites with a powerful tool for recruiting and retaining new staff.

According to County Counsel, Los Angeles County (County) should make technical changes to an existing County ordinance to facilitate the County employee's eligibility for federal and state repayment program funds. The process to modify a County ordinance to allow County employees to receive loan repayment funding, however, can be time-consuming. The deadline for the submission of applications for the Steven M. Thompson Physician Corps Loan Repayment Program is September 11, 2012. County residents and the County's health care safety net will benefit if County health care facilities are certified sites for these loan repayment programs. Many of the participants in the loan repayment program remain in these underserved areas even after they complete their obligated service term. The County should immediately take all necessary steps to ensure it preserves its employees' ability to apply for loan repayment programs while the County ordinance is being modified.

THEREFORE, I MOVE THAT THE BOARD OF SUPERVISORS direct the Directors of the Departments of Health Services, Mental Health and Public

Health, or their designees, to take such steps as are necessary, including providing certifications, to allow Los Angeles County (County) employees to apply to participate in the Steven M. Thompson Physician Corps Loan Repayment Program, and any other program that does not require County financial contributions towards the loan repayment amount, with the understanding that the applicant will comply with all County ordinances prior to accepting an award under such program.

I ALSO MOVE THAT THE BOARD OF SUPERVISORS direct the Directors of the Departments of Health Services, Mental Health and Public Health work with County Counsel, and report back to the Board in 45 days with a proposed plan, including any needed revised ordinances, that would enable these departments to more strategically address health professional shortages with available federal, state and philanthropic health provider loan repayment program funds.

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